

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:6562
ANSWERED ON:09.05.2002
PROCUREMENT OF SPECIAL PURPOSE HELICOPTER
RAGHUNATH JHA;RAMJI MANJHI

Will the Minister of DEFENCE be pleased to state:

- (a) whether the Naval Headquarters had purchased nine special purpose helicopter `X` from a foreign manufacturer at a cost of Rs. 894.82 crore with 18 years old radar technology and incomplete trial evaluation;
- (b) if so, whether the price paid by NHQ was 56 per cent higher than NHQ estimation;
- (c) if so, the reasons for procuring helicopters with obsolete technology and incurring wasteful expenditure;
- (d) whether the procurement of helicopters is in contravention of the procurement procedure prescribed by the Ministry in 1992;
- (e) if so, whether this purchase was referred to CVC for detailed investigation; and
- (f) if not, the reasons therefor?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) to (f): The Government have signed two contracts with a Russian firm for the acquisition of 9 (nine) special purpose helicopters to equip the Navy with the Airborne Early Warning (AEW) capability. These helicopters were evaluated by a Naval Team in 1996 and were found to meet the Naval Staff Qualitative Requirements (NSQRs). The Radar has contemporary features. The price and other terms and conditions were negotiated by the duly constituted Price Negotiation Committees (PNCs) before the contracts were signed.

The case has been examined by the Central Vigilance Commission (CVC). While making certain observations in regard to the procedure followed, CVC has decided not to pursue the case further.